







Where C I Power  
operates

*Front Cover: Maracaibo School Children  
learn how electricity is generated at our Main Plant in  
Venezuela's second largest city.*

C I Power electric utility companies in *Venezuela* serve the second and third cities, Maracaibo and Barquisimeto, also the country's most important oil producing, agricultural, beef and dairy regions. Other diversified interests include: two electric data processing companies, an investment affiliate with large Caracas real estate holdings and an equity in a leading supplier of line hardware and allied telephone and electric power company equipment. The *Bolivian* subsidiary supplies electric service to the city of La Paz, and to the country's tin mining area. The *Salvador* subsidiary distributes electric power in San Salvador, the capital, and 130 other municipalities. The *Barbados* company serves the power needs of this Caribbean island's growth economy. The *Mexican* company is engaged in long-term investment in Mexican industry including the country's largest toy and games manufacturer.

## CANADIAN INTERNATIONAL POWER COMPANY LIMITED and Subsidiaries

### CANADA

Canadian International Power Company Limited  
C I Power Services Limited  
International Power Company Limited

Home Office:  
276 St. James Street West  
Montreal 126, Quebec

### VENEZUELA

C.A. Energía Eléctrica de Venezuela (Maracaibo)  
La Electricidad de Perijá, C.A.  
C.A. Energía Eléctrica de Barquisimeto  
C.A. Planta Eléctrica de Carora  
Empresas Eléctricas Venezolanas, S.A.  
Procesamiento Electrónico de Datos, S.A.  
Metalúrgica Eléctro-Industrial, C.A.  
Compañía Nacional de Computación, S.A.

### BOLIVIA

Compañía Boliviana de Energía Eléctrica, S.A.  
— Bolivian Power Company Limited  
Empresa de Luz y Fuerza Eléctrica de Oruro

### EL SALVADOR

Compañía de Alumbrado Eléctrico de San Salvador

### BARBADOS

The Barbados Light and Power Company Limited

### MEXICO

Monterey Railway, Light and Power Company  
Compañía Territorial Mexi-Cana, S.A.



## 1970 HIGHLIGHTS

	1970	1969
Consolidated Net Income	\$14,400,000	\$13,530,000
Preferred Stock Dividends	\$ 319,000	\$ 313,000
Earnings Per Common Share	\$ 4.85	\$ 4.55
Common Stock Dividends	\$ 5,227,000	\$ 4,792,000
Capital and Replacement Expenditures	\$15,464,000	\$17,054,000
Installed and Purchased Generating Capacity (kilowatts)	677,000	635,000
Peak Demand (kilowatts)	431,000	404,000
Electric Sales in kilowatt-hours	2,020,873,000	1,836,530,000
Number of Electricity Customers	430,000	406,000

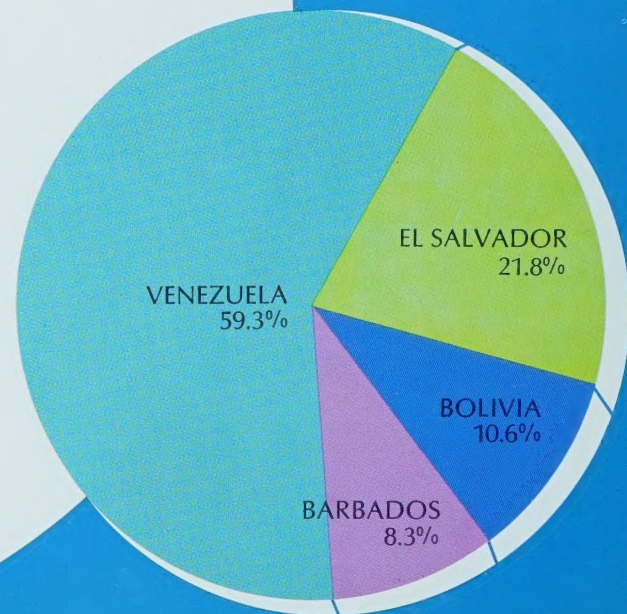
Consolidated  
Operating Revenues  
— 12 Months  
Ended  
December 31, 1970  
\$53,778,000

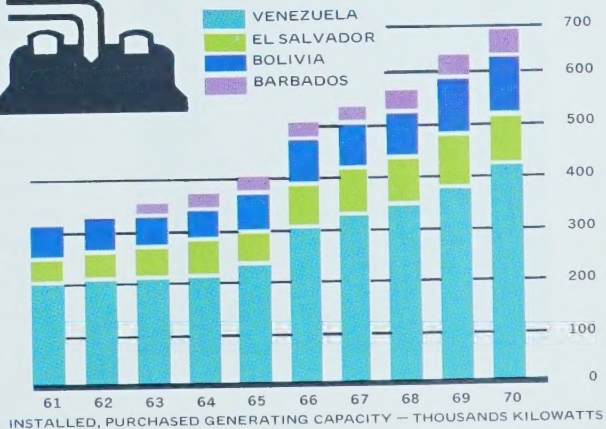
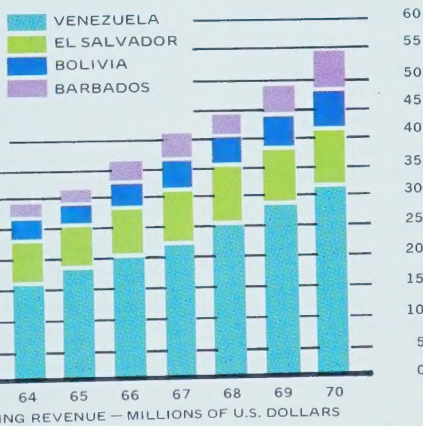
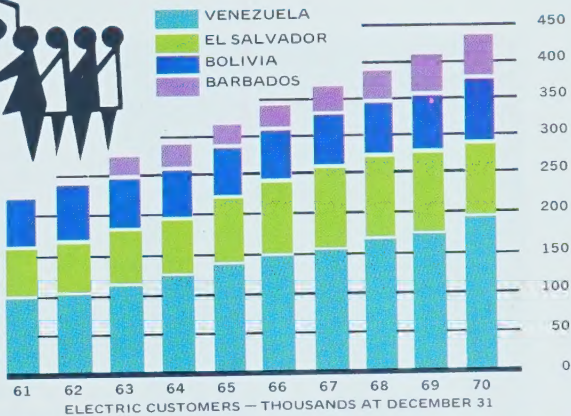
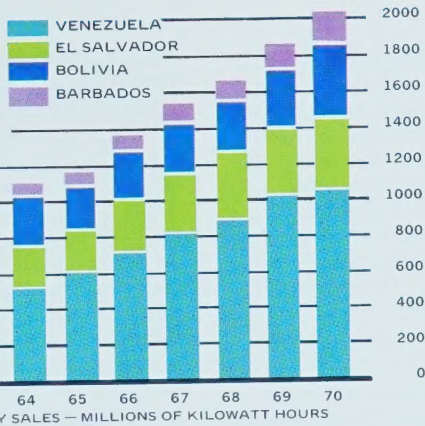
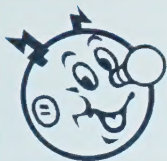
## TEN YEAR RECORD

	1970	1960
(at December 31)		
Cash and Bank Deposit Receipts	\$21,537,000	\$ 4,613,000
Preferred Stock Outstanding	\$ 5,857,000	\$23,600,000
Consolidated Operating Revenue	\$53,778,000	\$25,689,000
Earnings — for Common Stock	\$14,081,000	\$ 8,143,000
— per Share	\$ 4.85	\$ 2.86*

\*As restated for 5-4 stock split in 1968.

All figures in this Report  
are in U.S. Dollars unless otherwise noted.









## TO THE SHAREHOLDERS:

The year 1970 was one of widely publicized concern as to the effects of economic nationalism in Latin America. Your company shares that concern. Recent events, such as the new Venezuelan Banking Reform Law which tends to limit foreign bank ownership to 20%, the sharply increased oil company taxes, and the prospects of a new foreign investment law prove that the trend toward nationalism increases even in that politically and economically stable country. C I Power in 1970 continued, however, to grow and prosper. This was accomplished, as in previous years, by successfully serving the needs and interests of the countries where C I Power subsidiaries operate. Such efficient, locally oriented service should continue to make for progress.

Further, C I Power is engaged in a program to increase its diversification through expansion of C I Power Services Limited and through investments in other industries and areas where its capabilities can be of profit to the company.

Consolidated earnings on the common stock for 1970 were \$14,081,000 or \$4.85 per share, as compared with \$13,217,000 or \$4.55 per common share for 1969.

Operating revenues in 1970 amounted to

\$53,778,000, an increase of 10% over 1969. Kilowatt-hour sales in 1970 totalled 2,020,873,000 compared with 1,836,530,000 in 1969. The combined systems were serving 430,000 customers, compared with 406,000 in the previous year.

These increases reflect the rising demand for electric energy in C I Power operating areas and the ability of the company to keep well ahead of such demand. In a period when many electric utility systems find it difficult to supply sufficient power for their expanding markets, we are pleased to report that, as of December 31, 1970, our total generating capacity exceeded peak demand by 57%. In line with our established policy of meeting and anticipating growth needs, capital expenditures in 1970 totalled \$15,464,000 and a capital budget of \$21,721,000 has been approved by the Board of Directors for 1971.

## U.S. INTEREST EQUALIZATION TAX

As in preceding years, the U.S. Internal Revenue Service has ruled that Canadian International Power is a less developed country corporation for Interest Equalization Tax purposes. Therefore, no Interest Equalization Tax will be imposed for acquisition of Company stock made during 1971 and on or before March 30, 1972.

## EXECUTIVE CHANGES

It is with deep regret that we report the death, on October 8, 1970, of Frederick

Krug, a member of the Board of Directors and former President of the Company and Chairman of the Executive Committee. He joined the C I Power Group in 1922 and became General Manager of the Puerto Rico subsidiary, a post he held until he moved to Montreal in 1936. When C I Power was formed in 1956, he became President and served until his retirement in 1962. As a member of the Board, he continued to make important contributions to the progress of the Company.

Eric H. Campbell, who first joined the Company in 1936 and has served since 1967 as Vice-President — Finance, has been named to succeed Mr. Krug on the Board of Directors and to serve as Executive Vice-President of the Company. Born in Chile and educated in Scotland, he spent many years in the Company's Latin American properties before coming to the home office in 1959 and being appointed Secretary-Treasurer in 1962.

The Board of Directors also appointed: H. Robert Mullan, Vice-President — Finance, Alan B. Creaghan, Vice-President — Law, and Secretary, David C. Mitchell, Vice-President.

Mr. Mullan became Treasurer in 1969, a post he will continue to hold. Formerly with the Company's Venezuelan operations from 1949, he became a member of the Montreal financial staff in 1956.

Mr. Creaghan, who will also continue as Secretary, was formerly an assistant to the Chief Counsel of the Industrial Development Bank of Canada and is a member of the New Brunswick Bar and the Quebec Bar. He came to the Company in 1965 as Assistant Legal Co-ordinator, was appointed Legal Co-ordinator the next year and Legal Counsel and Secretary in 1969.

Mr. Mitchell first became associated with the C I Power Group in 1953 and has served as Manager of the Oruro Division of the Bolivian subsidiary and as General Manager of the El Salvador company. In 1968, he was appointed the General Manager of all the Bolivian operations, a post which he will continue to hold.

### THE TEN YEAR RECORD

Our Ten Year Record reflects the Company's steady growth in Latin America and the Caribbean area. From 1960 to 1970 cash and bank deposit receipts increased more than \$16,900,000 and consolidated operating revenue \$28,089,000. Earnings for the common stock rose 72.9%. Cash dividends, paid on both preferred and common stock for the ten year period, total \$38,278,000.

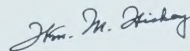
A redemption of preferred shares, replaced by a smaller issue, represented a net disbursement of more than \$16,802,000. During the same period total expenditures on new and expanded facilities totalled \$107,301,000, an impressive contribution to the infrastructure of these developing countries.

### WHY C I POWER PROSPERS IN LATIN AMERICA AND THE CARIBBEAN

Our progress comes from producing low cost electric power and distributing it to more and more people at all economic levels, as well as to agriculture and industry. Recent examples include the extension of rural electrification in Venezuela and El Salvador, the expanded hydro-electric complex in Bolivia's Zongo Valley, and the greatly increased generating capacity in Barbados. Not to be overlooked, however, is our long-standing policy of sharing in the economic, educational and cultural interests of the people we serve and encouraging them to share in our own growth through local stock ownership. Later pages of this report show our policy in operation in Venezuela. Equally significant evidence could be given of our accomplishments in Bolivia, El Salvador and the island nation of Barbados.

We would like to thank our own C I Power people, the majority of whom are nationals of these countries, for their good work during 1970.

For the Board of Directors,



Wm. M. Hickey,  
Chairman



John Kazakoff,  
President







*The new Bajo Grande switching station controls six lines of 24,000 volts which supply power to the new Vensun Natural Gas Liquids Plant, shown in distance, and to communities south of Maracaibo.*



## 1970 OPERATIONS AND CAPITAL EXPENDITURES REVIEW

### THE VENEZUELA COMPANIES

As stated in the shareholders' letter, the new Banking Reform Law, the recent changes in oil company taxes, and the increasing predictions in Venezuelan government and business circles of the possible passage of a new foreign investment law, are of serious concern to C I Power management. While the concept of a law limiting foreign investments is still in the discussion stage, with no definitive projection of its application to our Venezuelan operations, the Company is keeping close to the situation and intends to take whatever steps are indicated to secure its position.

In March 1971, the Maracaibo Municipality (City

Council) unilaterally increased the rate of tax on the Maracaibo Company by a substantial amount effective April 1, 1971, in spite of a city tax contract with the company. This increased tax, had it been in effect throughout 1970, would have reduced net earnings by approximately \$917,000 or \$0.32 per share. Counsel is of the opinion that the new tax rate is illegal and constitutes a breach of contract. The company will take all legal steps necessary to appeal the action of the Municipality.

In 1970 sales and earnings of the C I Power operations in Venezuela again advanced to new highs. All four electric companies reported sales increases: Maracaibo 10.9%; Barquisimeto 10.3%; Perijá 14.2%; and Carora 18.8%.

*The La Concepción generating plant near Maracaibo with the two new General Electric gas turbine generator units which have brought this plant's capacity to 77,300 kilowatts.*



*Procedatos engineer checking computer control in company's new offices in Maracaibo. In addition to in-company work, Procedatos serves outside organizations including the city gas and garbage operations.*

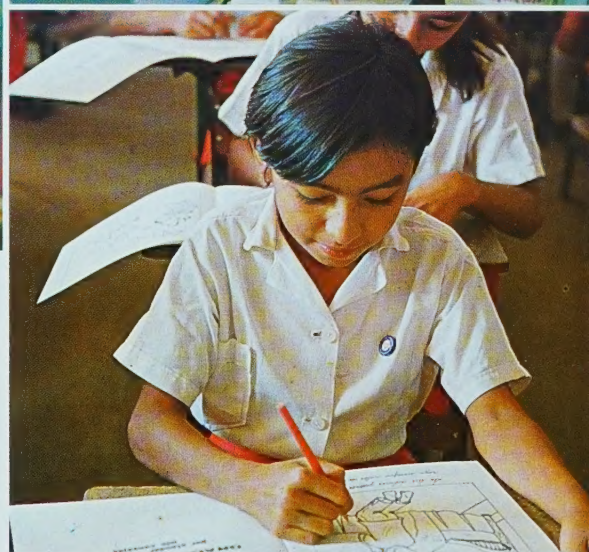


Most important developments in the companies' expansion of facilities were the completion of the Bajo Grande switching station and the installation of the two new gas turbine generator units in the La Concepción generating plant. Capital expenditures for this program totalled \$10,770,000 in 1970 and \$14,230,000 has been approved for 1971. Since the major objectives of the present expansion program are close to attainment, it is believed capital expenditures will be considerably reduced in 1972.

Among the non-electric power operations, Fiveca, the Caracas real estate development company, in which C I Power's investment subsidiary, Empresas

Eléctricas Venezolanas, S.A., is the principal shareholder, reported another highly successful year. Procesamiento Electrónico de Datos, S.A. (Procedatos), wholly-owned electronic data processing centre, has grown so rapidly, it was necessary to rent expanded space in the recently constructed high-rise office building, Edificio Procedatos. Metalúrgica Eléctro-Industrial, C.A. (MEICA), line hardware manufacturer, reported 1970 net income of more than 20% on investment. During the year, the Company purchased a controlling interest in Compañía Nacional de Computación (CNC), Caracas data processing company.

*Keypunch operators at Procedatos prove ability of Maracaibo girls quickly to adapt to advanced business techniques.*



*Young member of the Barquisimeto Kilovatio Club, using Club material which inspires interest in electricity and its usefulness in home life and industry. The little lady Club member is coloring a company cartoon booklet*



In 1970 increases in World oil prices favorably affected Venezuela's oil income and the Gross National Product rose approximately 5% over the previous year.

## THE BOLIVIA COMPANY

Traditionally good relations of this subsidiary company with Bolivian authorities have continued to be maintained. In 1970 kilowatt-hour sales in the La Paz Division increased 10.5% over the previous year, of which about 2% resulted from sales to the new zinc mine customer, Matilde Mining Corporation, near Lake Titicaca.

Work on the new 26,000 kilowatt hydro-electric plant, the eighth such facility installed by the company in the Zongo Valley, has been accelerated to meet the rapidly expanded growth of electrical consumption in the La Paz area.

Bolivia has resumed petroleum exports, following settlement of compensation arrangements with Bolivian Gulf Oil Company. This year the Bolivian Government is expected to reach agreement with the International Development Corporation for the loan of approximately \$23,000,000 to assist in construction of a gas pipeline to Argentina. It is estimated that sales of gas to the Argentine could reach 300,000,000 cubic feet per day in a relatively short time. Tin, Bolivia's most important export, continues to command good prices in the world markets.

## THE SALVADOR COMPANY

In 1970 earnings of the Salvador Company increased 8.7% over 1969. Kilowatt-hour sales increased 8.8%. This reflected the nation's recovery from the effects of the 1969 conflict with Honduras.

The company's recently rented new office building in San Salvador, especially the use of its auditorium facilities by civic and social organizations, has further enhanced the public image of



Viewed from high a-top the new Proce-datos building, the Christmas lights of the Maracaibo Company's office brighten the city's main thoroughfare. Reddy Kilowatt gives the Venezuelans' flair for colors new opportunities for expression.



Not a bargain sale crowd — just a typical morning view of our Maracaibo Company's customers paying their bills. All of the Business Staff are nationals, who combine modern business skills with understanding of their customers' financial and service needs.

Barbados Light & Power maintenance engineers check the two new 4,500 kw generators in the company's recently inaugurated Spring Garden Plant, which gives the company generating capacity 45% above peak demand.



*This tower structure is in the system which carries electric energy from Zongo River Valley in the Andes to the city of La Paz, Bolivia. This system now includes 8 hydro-electric plants.*



*Taken back in 1962, this picture of a typical Salvador Company concrete pole, designed to blend with local architecture, demonstrates C I Power's early interest in maintaining environmental beauty.*

the company. The new distribution centre now in full operation has made for better working conditions and greater efficiency of both technical staff and line crews. The San Antonio Abad substation, providing the second source of power from CEL, the Government power agency, went into service in December, and will assure greater continuity of service.

The Gross National Product of El Salvador rose approximately 6.3%. The price of coffee, El Salvador's leading export, again increased by 10% over 1969. The Central American Common Market San José Protocol was ratified by all members in November 1970.

### THE BARBADOS COMPANY

Sales reached a total of 128,508,257 kilowatt-hours, an increase of 10.9% over the previous year's sales record. Operating revenues totalled \$4,483,219 compared with a total of \$4,018,447 in 1969. Customers at December 31, 1970 numbered 44,057, an increase of 9% over the same date in 1969. Generating capacity totalled 39,230 kilowatts, 45% above peak demand. The company's distribution network now covers 90% of the Island of Barbados.

Jet planes and cruise ships continued to increase Barbados tourist trade which now represents twice the Island's income from its sugar crop. Hotel and apartment building to house the tourist influx maintained its rapid pace, continuing to average a 50% annual increase. The Gross National Product maintained its annual rate of increase of approximately 7.8%.

Most significant months were March, when the new Spring Garden plant was officially opened by the Prime Minister, and October, when the company received commendations from the government for quickly restoring service when

unusually severe floods followed a bad storm on the Island.

### THE MEXICO COMPANY

This company's net income for the year amounted to \$294,192 compared with \$268,730 in 1969. For the fourth consecutive year, the company paid a yearly dividend on its cumulative preference stock. All promissory notes, covering the 1962 sale of the company's public utility properties to the Mexican Government, have been paid with interest on the due dates. During the year the company repaid the balance of The Royal Bank of Canada loan, amounting to \$1,045,000. Operations of Cía. Industrial de Novedades Plásticas y Metálicas, S.A., the country's largest toy and games manufacturer, moved into new, larger premises, resulting in a much more efficient plant which should quickly absorb the moving costs. Hotel Ra-Monterrey operations again improved, continuing their growth pattern. The outlook for the nation's economy is highly favorable with political stability expected to continue as the result of the election of Lic. Luis Echeverría as President of Mexico.

### C I POWER SERVICES

As these reports demonstrate, this wholly-owned subsidiary continued effectively to supervise management, financial planning, engineering and purchasing services for the operating companies. During the past year C I Power Services has had discussions with several leading international organizations looking toward outside engineering and other commitments.



# CANADIAN INTERNATIONAL POWER COMPANY LIMITED FINANCIAL STATEMENTS 1970

## AUDITORS' REPORT

To the Shareholders of

Canadian International Power Company Limited:

We have examined the consolidated balance sheet of Canadian International Power Company Limited and subsidiary companies as at December 31, 1970 and the consolidated statements of income, retained earnings and source and application of funds for the year then ended. Our examination of the financial statements of Canadian International Power Company Limited and those subsidiary companies of which we are the auditors included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. We have relied on the reports of other public accountants with respect to their examination of the financial statements of the remaining subsidiaries, whose assets and operating revenues represent seventeen percent and twenty-nine percent of the respective consolidated totals.

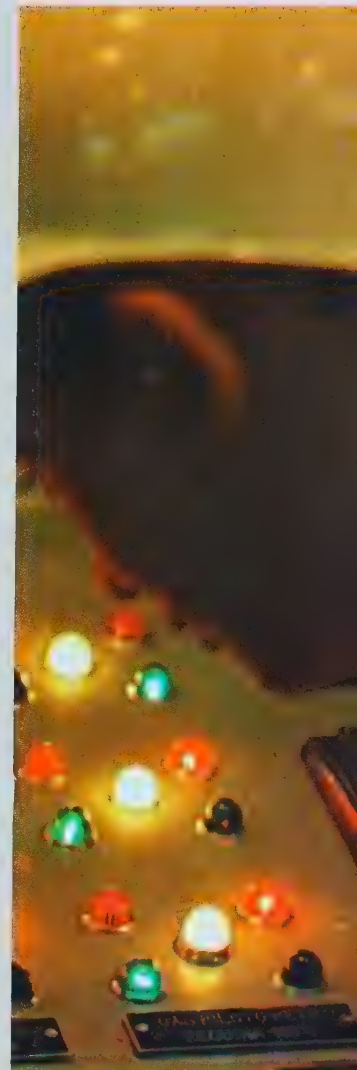
In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1970, and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Arthur Young, Clarkson, Gordon & Co.*

Montreal, Canada,  
March 15, 1971.

Chartered Accountants

The Annual Meeting of Shareholders of  
Canadian International Power Company Limited  
will be held on May 7, 1971, at 10:30 a.m. (Eastern Daylight Saving Time)  
at the office of the corporation  
276 St. James Street West, Montreal 126, Quebec, Canada.





This tower structure is in the system which electric energy from Zongo River Valley is brought to the city of La Paz, Bolivia. This system includes 8 hydro-electric plants.



## CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1970

(with comparative figures at December 31, 1969)

(expressed in United States currency)

### ASSETS

	1970	1969
<i>Property, plant and equipment (note 3):</i>		
Production .....	\$105,770,219	\$ 99,658,998
Transmission and distribution .....	107,849,150	100,759,844
Other .....	12,770,851	12,290,551
	<u>226,390,220</u>	<u>212,709,393</u>
Less accumulated depreciation .....	55,264,715	49,958,707
Net property, plant and equipment .....	<u>171,125,505</u>	<u>162,750,686</u>
<i>Investments and other assets (note 4) .....</i>	<u>13,172,253</u>	<u>14,859,684</u>
<i>Current assets:</i>		
Cash .....	3,902,892	2,582,754
Canadian bank term deposits payable in U.S. dollars .....	15,342,206	13,898,000
Other term deposits .....	372,452	145,534
Accounts receivable .....	11,610,853	9,856,936
Materials and supplies, at cost .....	5,306,811	4,756,586
Prepaid expenses .....	502,856	412,648
Total current assets .....	<u>37,038,070</u>	<u>31,652,458</u>
<i>Deferred charges .....</i>	<u>389,063</u>	<u>404,170</u>
	<u><u>\$221,724,891</u></u>	<u><u>\$209,666,998</u></u>

On behalf of the Board:

*John M. Kiskay* Director  
*J. Kozloff* Director

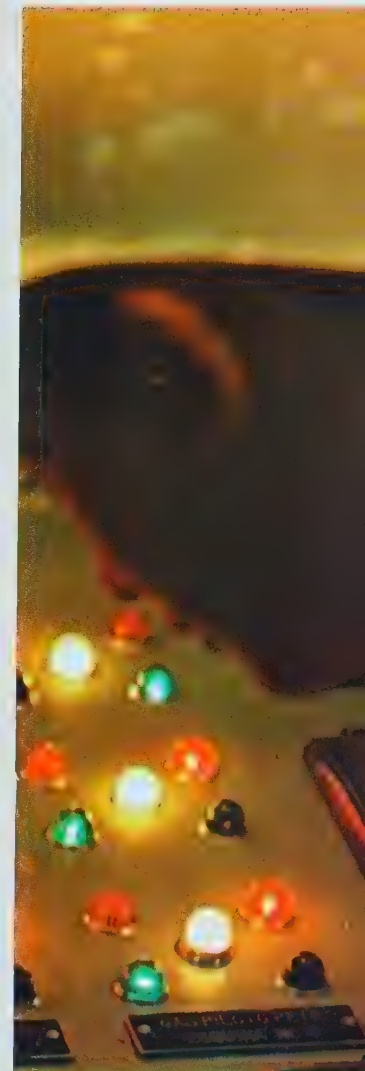
See accompanying notes



## LIABILITIES AND SHAREHOLDERS' EQUITY

	1970	1969
<i>Shareholders' equity:</i>		
Capital stock (note 5):		
Preferred stock .....	\$ 5,857,444	\$ 5,973,854
Common stock .....	17,646,448	17,646,448
	<u>23,503,892</u>	<u>23,620,302</u>
Appraisal increment to property, plant and equipment (note 3) .....	19,965,783	19,965,783
Retained earnings (note 7) .....	122,919,853	114,027,614
Total shareholders' equity .....	<u>166,389,528</u>	<u>157,613,699</u>
Minority interest in subsidiary companies .....	9,063,434	8,570,907
Long-term debt (note 6) .....	<u>24,166,239</u>	<u>24,251,786</u>
<i>Current liabilities:</i>		
Bank loans .....	4,198,674	2,440,750
Accounts payable .....	3,615,273	3,554,719
Customers' deposits, including interest thereon .....	1,167,205	1,063,814
Income taxes payable .....	4,393,990	4,382,240
Dividends payable .....	1,441,445	1,644,410
Long-term debt, due within one year .....	3,149,928	2,148,436
Total current liabilities .....	<u>17,966,515</u>	<u>15,234,369</u>
Provision for contingencies (note 7) .....	2,638,817	2,638,817
Customers' contributions for line extensions .....	1,500,358	1,357,420
	<u><u>\$221,724,891</u></u>	<u><u>\$209,666,998</u></u>

See accompanying notes





This tower structure is in the system which electric energy from Zongo River Valley is to the city of La Paz, Bolivia. This system has 8 hydro-electric plants.



## CONSOLIDATED STATEMENT OF INCOME

year ended December 31, 1970  
(with comparative figures for the year 1969)  
(expressed in United States currency)

	1970	1969
Operating revenue .....	\$ 53,777,892	\$ 48,868,667
Operating revenue deductions:		
Operating and maintenance expenses .....	24,736,213	22,100,021
Taxes (note 7)		
Income .....	5,640,431	5,426,862
Other .....	1,817,653	1,500,945
Provision for depreciation (note 3) .....	6,744,639	6,040,437
	<u>38,938,936</u>	<u>35,068,265</u>
Operating income .....	14,838,956	13,800,402
Investment income .....	2,744,566	2,421,311
Gross income .....	<u>17,583,522</u>	<u>16,221,713</u>
Income deductions:		
Interest expense — long-term debt .....	2,281,914	2,004,980
— other .....	340,040	347,011
Interest charged to construction — credit .....	(335,010)	(492,310)
Minority interest .....	896,485	832,360
	<u>3,183,429</u>	<u>2,692,041</u>
Net income .....	<u>\$ 14,400,093</u>	<u>\$ 13,529,672</u>
Earnings per common share (note 5) .....	<u>\$4.85</u>	<u>\$4.55</u>

See accompanying notes



## CONSOLIDATED STATEMENT OF RETAINED EARNINGS

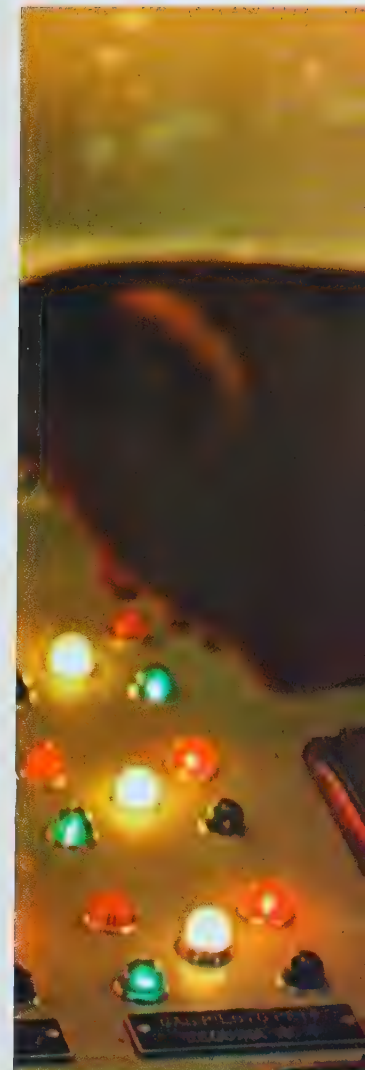
year ended December 31, 1970

(with comparative figures for the year 1969)

(expressed in United States currency)

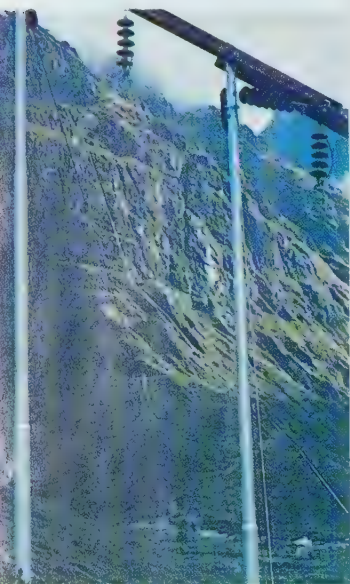
	1970	1969
Balance at beginning of year .....	\$114,027,614	\$105,570,506
Add:		
Net income .....	14,400,093	13,529,672
Discount less expenses on preferred shares purchased .....	38,114	31,703
	<u>128,465,821</u>	<u>119,131,881</u>
Dividends paid:		
Preferred shares — Can. \$1.04 (U.S. \$1.00) in 1970 and Can. \$1.04 (U.S. \$0.97) in 1969 .....	318,642	312,551
Common shares — \$1.80 in 1970 and \$1.65 in 1969 .....	5,227,326	4,791,716
	<u>5,545,968</u>	<u>5,104,267</u>
Balance at end of year (including \$5,729,000 in 1970 and \$5,120,000 in 1969 segregated as legal reserves in the accounts of subsidiary companies) .....	<u>\$122,919,853</u>	<u>\$114,027,614</u>

See accompanying notes





This tower structure is in the system which electric energy from Zongo River Valley in to the city of La Paz, Bolivia. This system is 8 hydro-electric plants.



## CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

year ended December 31, 1970

(with comparative figures for the year 1969)

(expressed in United States currency)

	1970	1969
<i>Source of funds:</i>		
From operations —		
Net income .....	\$ 14,400,093	\$ 13,529,672
Provision for depreciation .....	6,744,639	6,040,437
Interest charged to construction (credit) .....	(335,010)	(492,310)
Minority interest .....	896,485	832,360
	<u>21,706,207</u>	<u>19,910,159</u>
Additional borrowings — long-term debt .....	3,523,996	4,538,305
Reduction in investments and other assets .....	2,964,674	3,097,464
Shares of subsidiary companies sold to minority shareholders .....	352,891	297,929
Other — net .....	158,045	385,445
	<u>28,705,813</u>	<u>28,229,302</u>
<i>Application of funds:</i>		
Additions to property, plant and equipment .....	15,463,601	17,053,518
Less proceeds from disposals .....	679,153	457,858
	<u>14,784,448</u>	<u>16,595,660</u>
Repayments of long-term debt .....	3,609,543	2,605,031
Additions to investments and other assets .....	1,277,243	1,184,706
Purchase for cancellation of 5.2% preferred shares .....	78,296	98,597
Dividends paid .....	5,545,968	5,104,267
Dividends paid by subsidiaries to minority shareholders .....	756,849	561,006
	<u>26,052,347</u>	<u>26,149,267</u>
Increase in working capital .....	2,653,466	2,080,035
Working capital, beginning of year .....	16,418,089	14,338,054
Working capital, end of year .....	<u>\$ 19,071,555</u>	<u>\$ 16,418,089</u>

See accompanying notes

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 1970

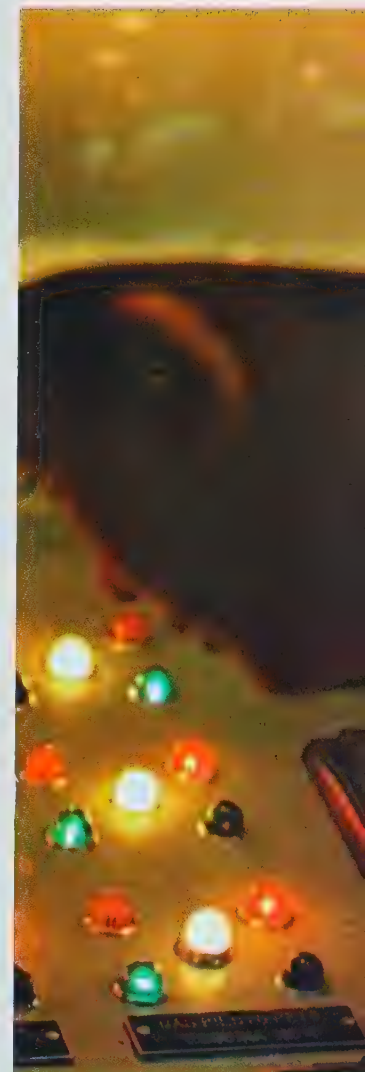
### 1. Consolidation

The consolidated financial statements include the accounts of the Company and all its subsidiaries, with the following exceptions: (a) Cía. Industrial de Novedades Plásticas y Metálicas S.A. (Novedades Plásticas), in which the Company has a 75% equity interest. Under an agreement, the Company's interest may be acquired by an option exercisable between 1973 and 1975. The Company's equity in the earnings of Novedades Plásticas since June 1968 (the date of acquisition) through December 31, 1969 and 1970 amounting to \$254,000 and \$422,000 respectively has not been reflected in the accompanying consolidated financial statements except to the extent of dividends received of \$63,500 in 1970 and \$63,200 in 1969; (b) Two Venezuelan companies, Metalúrgica Eléctro-Industrial C.A. (MEICA) and Compañía Nacional de Computación S.A. (CNC) (see note 4), the investments in which are carried at cost plus equity in earnings since dates of acquisition. Based on unaudited financial statements at December 31, 1970, the Company's share of the earnings of MEICA for the year ending December 31, 1970 was \$124,864 (1969 — \$22,700), and its share in the loss of CNC since acquisition was \$62,673, which amounts have been included in investment income.

A summary of assets, liabilities, operating revenue and net income of the companies by location is as follows (in thousands of U.S. dollars):

	Venezuela	Bolivia	El Salvador	Barbados	Mexico	Canada	Total
Property, plant and equipment .....	\$135,280	\$47,870	\$20,963	\$21,924	\$ 260	\$ 93	\$226,390
Less accumulated depreciation .....	36,190	8,730	5,020	5,168	98	58	55,264
	99,090	39,140	15,943	16,756	162	35	171,126
Investments and other assets and deferred charges .....	3,131	220	121	18	8,151	1,920	13,561
Current assets .....	9,746	2,907	2,920	1,401	1,416	18,648	37,038
	111,967	42,267	18,984	18,175	9,729	20,603	221,725
Current liabilities .....	11,556	1,121	1,614	1,904	68	1,704	17,967
Long-term debt .....	14,003	6,174	50	3,939	—	—	24,166
Provision for contingencies and customers' contributions for line extensions .....	1,798	310	200	1,500	331	—	4,139
Minority interest .....	3,134	211	1,988	2,586	1,093	51	9,063
	30,491	7,816	3,852	9,929	1,492	1,755	55,335
NET ASSETS .....	\$ 81,476	\$34,451	\$15,132	\$ 8,246	\$8,237	\$18,848	\$166,390
	76,590	33,056	13,929	7,897	7,911	18,231	157,614
OPERATING REVENUE .....	\$ 31,703	\$ 5,698	\$11,695	\$ 4,483	\$ 199	\$ —	\$ 53,778
	28,687	5,164	10,794	4,019	205	—	48,869
NET INCOME .....	\$ 8,818	\$ 1,914	\$ 1,549	\$ 587	\$ 403	\$ 1,129	\$ 14,400
	8,784	2,007	1,041	598	379	721	13,530
PERCENT OF NET INCOME .....	61.2%	13.3%	10.8%	4.1%	2.8%	7.8%	100%
	64.9%	14.8%	7.7%	4.4%	2.8%	5.4%	100%

\*Comparative figures for 1969





This tower structure is in the system which electric energy from Zongo River Valley is to the city of La Paz, Bolivia. This system is 8 hydro-electric plants.



## 2. Translation of foreign currencies

All amounts in currencies other than U.S. dollars have been translated as follows:

Assets and liabilities, except for property, plant and equipment — at the rates of exchange prevailing at the year-end.

Property, plant and equipment —

Venezuela and Barbados — at the rates of exchange prevailing at the dates the appraisal increments were recorded as set out in note 3. Subsequent additions have been translated at the rates prevailing at acquisition dates.

Bolivia, El Salvador, and Mexico — at the rates of exchange prevailing at acquisition dates.

Provisions for depreciation — at the same rates as those used for the translation of the related assets.

Revenue and revenue deductions — at average rates of exchange during the year.

There are no significant restrictions on remittances of earnings from subsidiary companies. A law adopted in Bolivia in 1969 which required that dividends declared (net of withholding tax) be deposited in a Bolivian bank with no interest for a minimum period of one year prior to payment, has been rescinded.

## 3. Property, plant and equipment and depreciation

Venezuela —

Based on appraisals made in 1962 and 1965, properties of three Venezuelan subsidiaries are stated on a basis of reproduction-cost-new less observed depreciation. Additions to properties since the date of the appraisals, are at cost.

Depreciation for the year represents the application to original plant cost of depreciation rates approved by the Venezuelan Income Tax Administration plus the amortization of the appraisal increment, both on a straight-line basis.

When depreciable property is retired, the portion of the carrying value represented by original cost less applicable accumulated depreciation is charged to operating revenue deductions and the portion of the carrying value represented by the appraisal increment is charged to accumulated depreciation.

Barbados —

Based on a valuation by International Middle West Service Company of Chicago, properties in 1966 were increased by \$5,266,000 and the accumulated provision for depreciation by \$743,000 to state such properties on a basis of reproduction-cost-new less observed depreciation. Subsequent additions to properties are at cost.

Depreciation rates are applied to the appraised values and to subsequent additions on a straight-line basis for financial statement purposes.

When depreciable property is retired, the gross book value is charged to accumulated depreciation.

The resulting increases from the revaluation of the Venezuelan and Barbados properties (less the portion applicable to minority interests) are shown on the balance sheet as "Appraisal increment to property, plant and equipment".

Bolivia and El Salvador —

Properties of these companies are at cost. Depreciation rates are applied to that cost on a straight-line basis.

When depreciable property is retired, the gross book value is charged to accumulated depreciation.

Management is of the opinion that the provisions for depreciation for all subsidiaries are adequate on a service life basis. The percentage relationship between the annual provisions for depreciation and the average gross book value of depreciable property was 3.1% for 1970 and 3.0% for 1969.

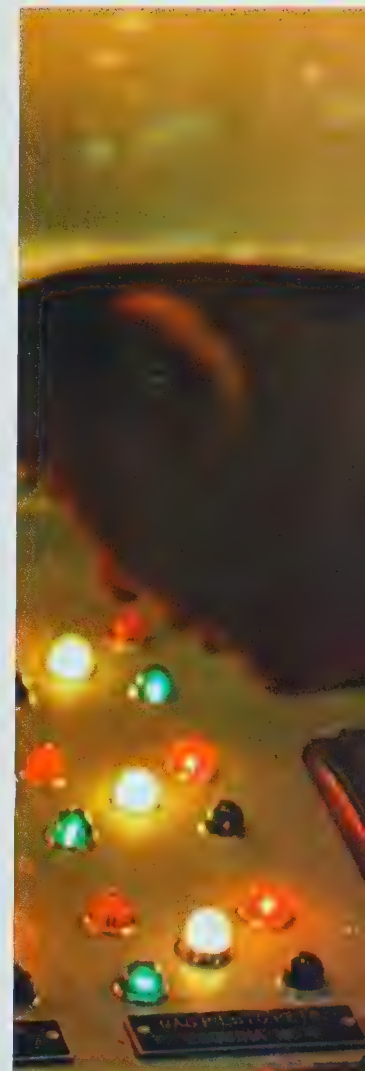
4. Investments and other assets

	1970	1969
Investments and notes receivable		
Government of Mexico — 6½% promissory notes due semi-annually to January 15, 1977 — at cost: .....	4,522,408	
Less amounts due within one year .....	546,119	
	\$ 3,976,289	\$ 4,572,423
Fiveca, S.A., Caracas, Venezuela, Shares — 21.6% of share capital — at cost .....	1,221,111	1,193,333
Cía. Nacional de Computación, S.A., (CNC) Shares — 51.4% of share capital (see note 1) .....	614,349	—
Cía. Industrial de Novedades Plásticas y Metálicas, S.A., Mexico (see note 1) Shares .....	2,475,350	
9% notes due in annual instalments of \$200,000 in 1972 and 1973 .....	400,000	
	2,875,350	3,075,350
Metálgica Electro-Industrial C.A. (MEICA) Shares — 52% of share capital (see note 1) .....	727,620	362,756
Other investments — at cost .....	1,665,258	1,418,617
	11,079,977	10,622,479
Other assets		
Canadian bank term deposits payable in U.S. dollars .....	1,920,000	3,920,000
Long-term accounts receivable less allowance for doubtful accounts of \$100,000 .....	172,276	317,205
	<u>\$13,172,253</u>	<u>\$14,859,684</u>

Canadian bank term deposits aggregating \$1,920,000 at December 31, 1970 have been provided as collateral for the Venezuela 11% notes (see note 6).

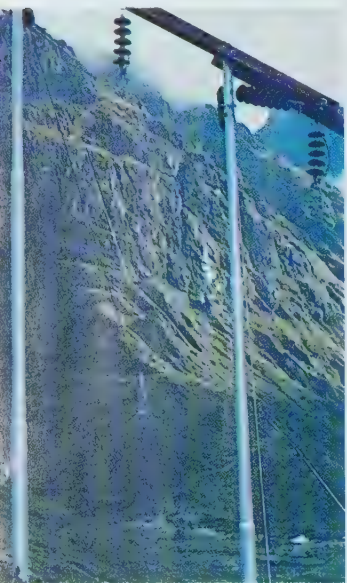
Government of Mexico 6½% notes in the amount of \$800,000 have been provided as collateral security for a bank loan of \$400,000 to Novedades Plásticas.

Long-term accounts receivable include amounts due from the Bolivian Government aggregating \$190,694 expected to be collected subsequent to 1971.





This tower structure is in the system which electric energy from Zongo River Valley is to the city of La Paz, Bolivia. This system is 8 hydro-electric plants.



5. Capital stock

Preferred stock —

Preferred shares of the par value of Can. \$20 each, issuable in series, of which 350,000 shares are designated as 5.2% cumulative redeemable preferred shares, 1965 series —

	1970	1969
Authorized shares, less redeemed .....	1,964,625	1,970,700
Issued shares .....	314,625	320,700
Par value .....	\$ 5,857,444	\$ 5,973,854

The Company is required to set aside out of the profits each year an amount of not less than Can. \$70,000 (U.S. \$68,800) for the purchase of preferred shares. During the year 6,075 shares, having an aggregate par value of Can. \$121,500 (U.S. \$116,410), were purchased and cancelled.

The 1965 series are redeemable at the option of the Company at a premium of 3% to December 31, 1971 and 2% thereafter.

Common stock —

Common shares of no par value —

	1970	1969
Authorized shares .....	3,125,000	3,125,000
Issued shares .....	2,904,070	2,904,070
Stated value .....	\$17,646,448	\$17,646,448

Under a Stock Option Plan for officers and key employees of the Company and its subsidiaries, a maximum of 125,000 shares are reserved for issue at a price which cannot be less than 100% of fair market value at date of grant.

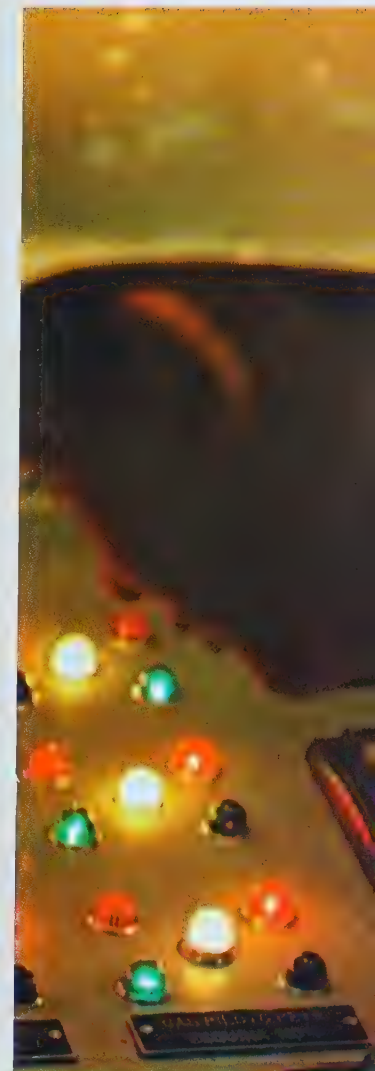
During the year no options were granted or exercised. As at December 31, 1970 (after giving effect to the cancellation of an option on 5,000 shares in January 1971) options were outstanding and exercisable on 70,125 shares (including 36,875 shares granted to directors and officers) having an aggregate option price of \$1,789,665, leaving 54,875 shares available for future grants. Details of common shares under option at December 31, 1970 are as follows:

Number of shares	Option price per share	Expiry date of option
18,750	Can. \$25.20 (U.S. \$24.76)	February 8, 1973
41,875	Can. \$25.20 (U.S. \$24.76)	February 8, 1978
5,000	Can. \$28.13 (U.S. \$27.64)	May 8, 1978
4,500	Can. \$34.00 (U.S. \$33.42)	May 9, 1979

Earnings per common share were determined by dividing the number of common shares outstanding during each year into net income less preferred share dividends. There would be no material dilution of such earnings per common share if all stock options were exercised.

## 6. Long-term debt

Venezuela —	1970	1969
10% bonds due in instalments from 1971 to 1978* .....	\$ 7,777,778	\$ 7,777,778
11% (10% — 1969) notes due in annual instalments to 1980 (note 4) .....	1,920,000	3,920,000
7% bank loan payable in Swiss Francs due in semi-annual instalments to 1976 .....	1,267,180	1,520,625
6% and 7½% equipment notes due in semi-annual instalments to 1976 .....	1,157,965	1,432,245
6% notes due in annual and semi-annual instalments from 1971 to 1978 .....	4,240,456	1,307,015
Other .....	—	141,263
	<u>16,363,379</u>	<u>16,098,926</u>
 Bolivia —		
5½% loan from International Development Association through the Bolivian Government, due in annual instalments to 1989* .....	4,517,972	4,656,010
6% loan up to Can. \$2,500,000 from Export Development Corporation due in semi-annual instalments from 1971 to 1983 — Can. \$1,775,467 (converted at rates of exchange prevailing when debt was incurred) .....	1,658,836	1,215,450
5¾% equipment notes payable in Swiss Francs due in semi-annual instalments to 1974 .....	327,120	473,194
	<u>6,503,928</u>	<u>6,344,654</u>
 El Salvador —		
7% notes due to 1972* .....	\$ 137,457	\$ 239,576
6% equipment notes due in annual instalments to 1970 .....	—	22,939
	<u>137,457</u>	<u>262,515</u>





This tower structure is in the system which electric energy from Zongo River Valley is sent to the city of La Paz, Bolivia. This system is powered by 8 hydro-electric plants.



Barbados —	1970	1969
Bank loan due in instalments from 1972 to 1976 at the Barbados prime interest rate which at December 31, 1970 and 1969 was 8½%* .....	1,999,200	2,001,200
5½% equipment notes payable in pounds sterling, due in semi-annual instalments to 1976 and 1977 .....	1,784,655	1,082,224
6¼% equipment notes due in semi-annual instalments to 1977 .....	527,548	610,703
	<u>4,311,403</u>	<u>3,694,127</u>
	27,316,167	26,400,222
Less amounts due within one year included in current liabilities .....	<u>3,149,928</u>	<u>2,148,436</u>
	<u>\$24,166,239</u>	<u>\$24,251,786</u>

\*Repayable in the currency of the country.

The aggregate amounts of long-term debt maturing annually after December 31, 1971 are as follows:

Year	Amount
1972 .....	\$ 3,791,000
1973 .....	3,642,000
1974 .....	3,182,000
1975 .....	3,096,000
Subsequently .....	<u>10,455,000</u>
	<u>\$24,166,000</u>

## 7. Taxes

All of the countries in which the subsidiaries operate, except Barbados, impose withholding taxes upon cash dividends paid to the Company. It is the policy of the Company to charge withholding taxes to income in the year cash dividends are paid. Since it is the intention of the subsidiaries to reinvest a substantial portion of their earnings in new capital assets, no provision has been made for withholding taxes which may be payable if and when undistributed earnings of subsidiaries are paid to the Company as cash dividends.

Subsidiary companies in Venezuela have received assessments aggregating \$1,379,385 from the Income Tax Administration in connection with the computation of the investment credits in 1966 and prior years. Early in 1969, the Supreme Court of Venezuela rendered decisions against taxpayers in two similar cases. The Company is not in agreement with these decisions but made provision in 1968 for these assessments with interest thereon aggregating \$1,797,962, which amount is included in the "Provision for contingencies" in the accompanying consolidated balance sheet.

Income taxes have been reduced by \$1,680,000 in 1970 (\$1,630,000 in 1969) as a result of credits permitted under income tax laws for investments in property, plant and equipment, principally in Venezuela.

# 8. Remuneration of directors and officers

Information required by Section 120B of the Canada Corporations Act is as follows:

	Total for all companies as a group	Canadian International Power Company Limited	International Power Company Limited	C I Power Services Limited	Monterey Railway, Light and Power Company	C.A. Energía Eléctrica de Venezuela
Aggregate remuneration received by 12 directors of Canadian International Power Company Limited (the Corporation), as directors .....	\$ 76,470 <sup>(1)</sup>	\$65,102	\$8,750	\$1,500	\$ 1,118	—
The number of directors receiving such remuneration from each company .....	12	9	9	3	3	—
Aggregate remuneration received by 8 officers of the Corporation, as officers .....	\$278,085	\$32,260	—	\$6,000	\$194,825	\$45,000 <sup>(2)</sup>
The number of officers receiving such remuneration from each company .....	8	1	—	1	6	1

(1) Three officers who are also directors, do not receive remuneration from the Corporation or any of its subsidiaries as directors.

(2) A lump sum payment of \$166,000 made under Venezuelan law upon severance of employment is not included in these amounts.

# 9. Other matters

Employees' service and severance indemnities required under the laws of Venezuela and Bolivia are charged to income when paid. The maximum liability in the unexpected event of complete separation of all employees aggregated approximately \$3,975,000 at December 31, 1970 (\$3,785,000 at December 31, 1969) which if paid would give rise to tax credits of approximately \$1,500,000 (\$1,415,000 in 1969).

Effective August 1967, a pension plan, incorporating past service benefits, was established for the employees in El Salvador. Under the terms of the plan, contributions by the employees and the company to the fund are to be used for the payment of pensions or severance indemnities, at the option of the employee. An actuarial valuation of the plan indicated a deficiency with respect to past service benefits of approximately \$408,500 at August 15, 1969. The company's contributions include an amount that will be sufficient to amortize the deficiency over a period of not more than twenty-nine years.

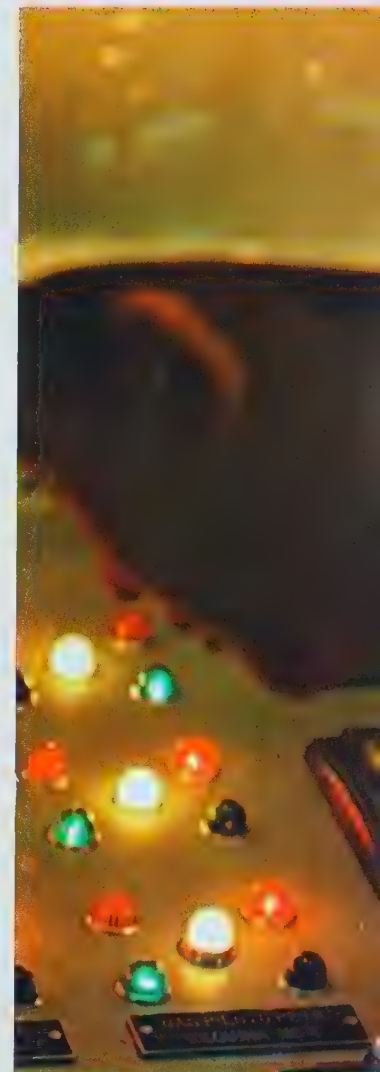
An actuarial valuation of the employees' pension plan of the management services subsidiary in Canada indicates a deficiency with respect to past services of approximately \$650,000 at July 1, 1970. It is the company's intention to amortize this deficiency over the next five years.

A subsidiary company has signed a contract to purchase three gas turbine generators costing approximately \$7,350,000 for which long-term financing has been arranged.

# 10. Subsequent event

In March 1971 the Maracaibo Municipality (City Council), contrary to the terms of an existing valid public service concession contract unilaterally increased the rate of tax of the Maracaibo subsidiary by a substantial percentage effective April 1, 1971. Had this increased rate been in effect for the year 1970, consolidated net income would have been reduced by approximately \$917,000 or 32¢ per share.

Counsel is of the opinion that the increase in the tax rate is illegal and constitutes a breach of contract, and therefore the Company intends to take all legal steps necessary to appeal the action of the Municipality.





This tower structure is in the system which electric energy from Zongo River Valley is to the city of La Paz, Bolivia. This system is 8 hydro-electric plants.



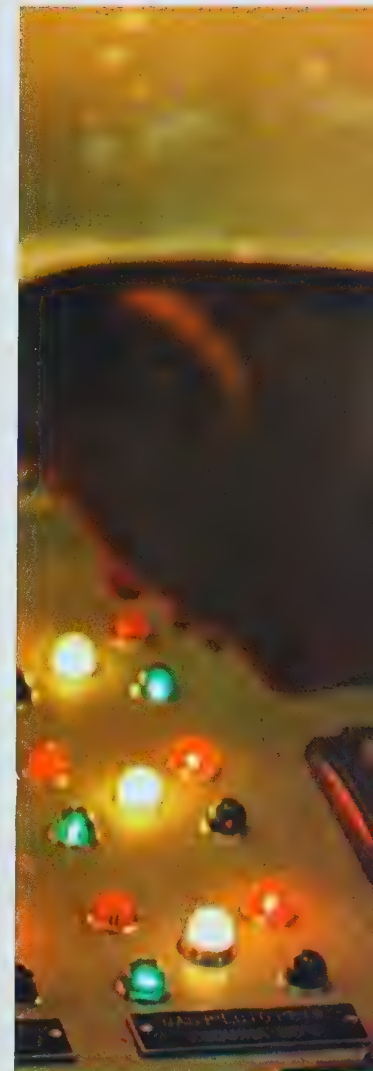
## OPERATING COMPANIES DATA

OPERATING STATISTICS	1961	1962	1963
Generating Capacity at December 31 (Installed Kilowatts):			
Hydro .....	66,250	66,250	66,250
Diesel .....	23,235	29,115	43,682
Steam .....	169,500	169,500	174,500
Gas Turbine .....	20,000	20,000	20,000
	278,985	284,865	304,432
Purchased Kilowatts (under contracts) .....	39,442	44,875	48,346
	318,427	329,740	352,778
Kilowatt-hours sold (thousands) .....	855,066	899,910	988,928
Operating Employees at December 31 .....	1,456	1,367	1,770
Number of Electric Customers served at December 31 .....	228,153	238,524	281,198

FINANCIAL STATISTICS (000's)			
Operating Revenue .....	\$ 25,730	\$ 23,404	\$ 25,363
Operating Expenses and Taxes .....	13,953	13,124	15,383
Operating Income before Depreciation .....	11,777	10,280	9,980
Provision for Depreciation and Renewals .....	2,546	2,207	2,209
Capital and Replacement Expenditures for Property, Plant and Equipment .....	5,070	4,337	3,300
Fixed Capital Account — Property, Plant and Equipment at December 31 .....	94,737	116,220	126,923

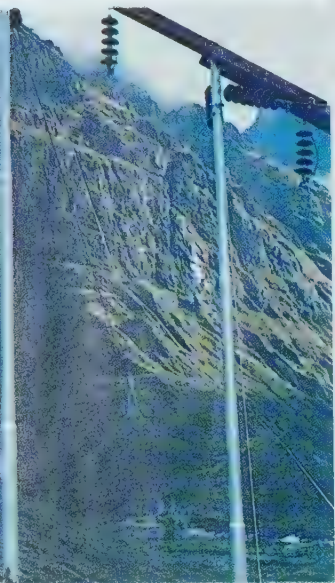
Note: 1961-1962 Combination of U.S. and Can. Dollars  
1963-1970 U.S. Dollars and consolidation of Monterey and Oruro Subsidiary Companies.

1964	1965	1966	1967	1968	1969	1970
66,250	66,250	92,735	92,735	92,735	117,035	117,035
49,200	58,903	58,307	72,561	75,805	83,755	83,755
174,500	174,500	240,500	240,500	240,500	240,100	240,100
20,000	33,200	47,600	61,350	76,350	106,550	141,650
309,950	332,853	439,142	467,146	485,390	547,440	582,540
52,785	62,490	66,725	73,889	78,027	87,843	94,418
362,735	395,343	505,867	541,035	563,417	635,283	676,958
1,085,382	1,177,509	1,361,225	1,503,931	1,658,190	1,836,530	2,020,873
1,828	1,940	1,995	2,065	2,151	2,167	2,199
294,484	317,580	342,628	363,990	386,200	406,062	430,034
\$ 28,167	\$ 31,358	\$ 36,535	\$ 40,492	\$ 44,256	\$ 48,869	\$ 53,778
16,773	18,916	21,601	23,478	25,740	29,028	32,194
11,394	12,442	14,934	17,014	18,516	19,841	21,584
2,816	3,673	4,178	4,872	5,478	6,040	6,745
5,857	14,678	16,829	15,460	14,415	17,054	15,464
132,679	148,233	168,811	183,019	196,807	212,709	226,390





*This tower structure is in the system which  
electric energy from Zongo River Valley is  
to the city of La Paz, Bolivia. This system has  
8 hydro-electric plants.*



Canadian International Power Company Limited  
shares of common stock  
are listed on the  
American Stock Exchange in New York;  
shares of both preferred and common stock in  
the company  
are listed on the Montreal Stock Exchange.

## A PEOPLE REPORT ON C I POWER IN VENEZUELA



Control Panel at Maracaibo's No. 2 Plant fascinates visiting school children.



## Helping people to live better electrically in Venezuela

New prosperity for farm and ranchlands, well lit, air conditioned stores and markets, apartments and homes which now enjoy the convenience of modern electric appliances! Those are only a few of the contributions which the expansion of C I Power facilities brings to the people of Maracaibo, of Barquisimeto and the wide sweep of western Venezuela.

Since 1963 our rural electrification program has grown from approximately 245 miles to the present rural network of 2,682 miles. Way back in 1958 the company ringed the city of Maracaibo with a 138 thousand volt transmission line in anticipation of the city's growth. This has made it possible to supply this fast expanding center of the petroleum industry with needed power for its population and business growth. Investment in routine operations including rural electrification has nearly doubled in the past five years.

The company is particularly proud of the fact that through its long-range program to electrify the barrios of Maracaibo, electricity reaches the people of these suburban low income districts before any other public service.

*Company engineer inspecting irrigation pump at large dairy farm in State of Zulia. During 1970 the company electrified three times more dairy farms than in 1969.*



*Blue prints for wiring in high-rise apartment are discussed by the contractor and company representative. Maracaibo enjoyed a surge of new apartment and office building in 1970.*





*New Venezuelan supermarkets, such as this, would be the envy of a North American housewife. The company's commercial staff assist in the planning of the most modern lighting installations.*

*Company representative collaborates with store demonstrator to explain the virtues of electric appliances to Maracaibo homemakers. This is just one example of the efforts made to assist dealers in expanding electric usage through on-the-scene information sessions.*



## Helping employees and customers share in the Company's progress

C I Power subsidiaries go to great lengths to get their employees and customers a "piece of the action". A special stock purchasing plan in which they can make installment payments at favorable rates has recently been accelerated in Maracaibo with a special stock selling campaign. In the past year this has added some 800 local shareholders.

To assure constantly improved service, employee training is practiced at all levels of responsibility. The company operates a safety program similar to that of the most advanced public utility companies in the North. Twenty courses in linesman training, metering, safety, etc., were given last year. Close contact is maintained with union representatives. The employees' club enjoys the use of a lakefront property, rented by the company. In 1970 the club grounds were the scene of competitive sporting events between teams from the various Venezuelan companies.

Two of the company's engineers were awarded partial scholarships during the year for advanced technical studies in the United States, and the company assisted seven worthy technical students attending Venezuelan universities.

*The Maracaibo Company's stock selling representative meets with a group of employees at the Arreaga plant. This is part of a continuous effort to encourage company people to share in its progress.*



*Customers purchasing stock at the Maracaibo Company's Business office. Recent customer installment stock purchase campaign has met with great success. Sales booth is staffed with local glamour-girls, all company employees.*



*José Angel Morillo, Secretary General of the Electrical Union of the State of Zulia, meets with the company's Superintendent of Industrial Relations.*





*Starting with simple, basic equipment, trainees learn the fundamentals of line work at the Maracaibo Company's training center. Venezuelans are quick learners and take pride in their ability to master the techniques of modern electrical power transmission*



*Angel Bernal, Pablo Rouvier and Simon Chirinos, all more than 40 years with the company, are winners of the government's Order of Miranda for their long service. Señor Bernal was further honoured with the Merit of Work Order, First Class, by the President of the Republic.*



## Teaching tomorrow's customers the meaning of electricity to prosperity and progress

Bright youngsters like those pictured here and on the front cover of this report, even more than the oil which now gushes from 10,000 wells, are the prime resource of this progressive republic. Our Venezuelan Companies consider their many programs of educating school children in the values of electric power among their most important contributions to the companies future.

Typical of such programs is the Junior Kilovatio Club in Barquisimeto. Thousands of members receive proudly worn Club buttons, informative literature and enjoy a special daily radio program — all directed not only at learning about electricity but inspiring them to good citizenship, as well.

Plant tours are a constant occurrence, as local teachers bring their entire classes for a serious study of the origin of home and school lighting. The children respond with great seriousness to the carefully presented information, earnestly taking notes as they study plant equipment from generators to the control room magic.

Club tours, of course, are not limited to school visitors. A regular program of formal tours is conducted for service, civic and other groups.

*Souvenir safety helmets carefully adjusted, two members of a plant tour class of grade school students start a morning session at the Maracaibo Company's No. 2 Plant. Serious young faces reflect their interest in discovering just how electricity is made.*



*Member of the company's engineering staff begins session with a brief explanation of the way oil and gas convert water into steam to spin the turbines and generators, which create the electricity to light their city.*



*Company instructor explains safety cartoon to an enquiring youngster. He stresses the importance of plant safety rules and tells how the company uses simple bulletin board graphics to demonstrate particular safety points.*





*The Control Room with its panels of "Christmas Tree" lights proves the most interesting stop on the plant tour. Students are fascinated to learn how the network which covers Maracaibo is kept working smoothly and how service problems are quickly corrected.*



*Lessons learned, the class proves Venezuelan youngsters, like school children everywhere, have to have a little fun — this time with a game of follow-the-leader. The company follows through with soft drinks on the house.*



## Lighting the cultural progress of the community

C I Power companies respect the great cultural heritage of the people of Venezuela and each participates in the many cultural activities of its community and nation.

The Maracaibo Company was among the sponsors of the city's new Teatro Bellas Artes de Maracaibo. Developed by community leaders with the cooperation of the Ministry of Public Works, the Center was inaugurated in November 1970 by Dr. Rafael Caldera, President of the Republic. The Center theatre has the largest stage in the country and a seating capacity of 650 people. A two-level art exhibition area is designed for both day and night viewing of the work of Venezuelan artists and sculptors. Both lighting and air conditioning installations were designed in collaboration with the engineers of our Maracaibo Company.

*Entrance to Teatro Bellas Artes, Maracaibo's new cultural center, in whose development our Company played an important part. Architecture is impressively modern. The bread-carrying youngster displays a more primitive skill.*



*Stage lighting is a difficult art. But the Teatro Bellas Artes technicians, in collaboration with Maracaibo Company experts, do a highly professional job of preparing for the opening night concert on the theatre stage.*



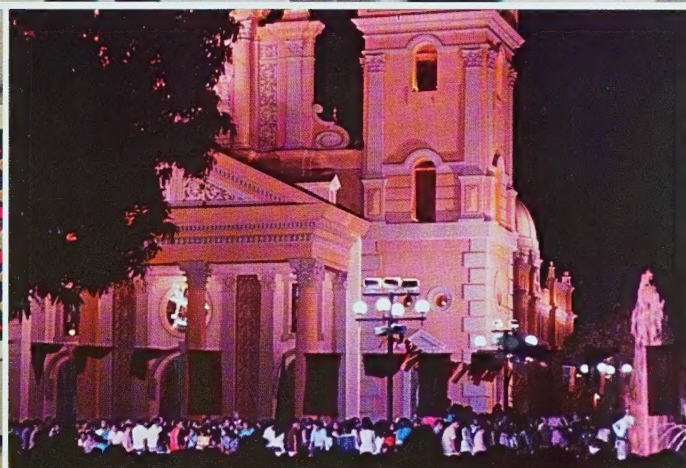




*Equally difficult is proper lighting for an art gallery. But again our engineers help the Teatro Bellas Artes technicians create the proper light diffusion for paintings and sculpture, created by leading Maracaibo artists.*

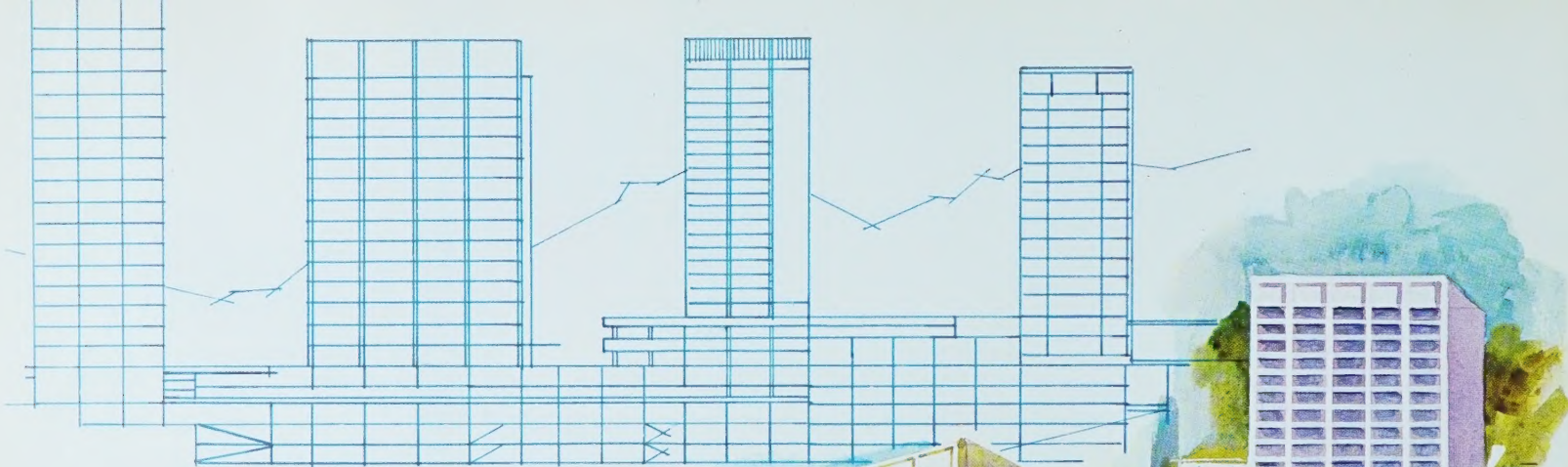


*Teatro Bellas Artes lighting brings out the beauty of these novel rugs, created by a prominent Venezuelan artist, and inspired by native motifs. Exotic designs and strong primitive colors make them exciting contributions to home decor.*



*Glowing symbol of religious faith, the Cathedral of the Virgin of Chinquinirá is famed for the "painted sculpture" which ornaments its gracious interior. Maracaibo's annual fiesta of the Virgin finds the cathedral gayly illuminated with new exterior lighting designed by our engineering staff.*





## Helping Venezuela's dreams come true

C I Power now plans to play a dramatic role in the development of Venezuela's exciting capital city, Caracas. The ultra modern office, shopping center, hotel and entertainment complex, sketched here, will rise in the center of the city, occupying land owned by Fiveca, C I Power real estate affiliate.

Centro Plaza will be the first such megacentre in Latin America. It will include two office buildings, a professional building, a 200 room hotel and a two level shopping mall interconnecting the four towers and housing retail stores, specialty shops and services, restaurants, and theatres. There will be underground and deck parking for 1,300 cars.

The project is being organized by a subsidiary of Fiveca, Centro Plaza, S.A.



# CANADIAN INTERNATIONAL POWER COMPANY LIMITED

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## OFFICE

276 St. James Street West, Montreal 126, Quebec,  
Canada

## TRANSFER AGENTS

Montreal Trust Company  
1695 Hollis Street, Halifax, Nova Scotia,

Place Ville Marie, Montreal, Quebec,  
15 King Street West, Toronto, Ontario,

Notre Dame at Albert Street, Winnipeg, Manitoba,  
8th Avenue at 3rd Street, Calgary, Alberta,  
466 Howe Street, Vancouver, British Columbia.

First National City Bank,  
55 Wall Street, New York, N.Y.

## REGISTRARS

Montreal Trust Company

The Chase Manhattan Bank  
1 Chase Manhattan Plaza, New York, N.Y.

## AUDITORS

Arthur Young, Clarkson, Gordon & Co.

## EXECUTIVES OF OPERATING COMPANIES

Barbados: John H. Nelson (1955), *Managing Director*

Bolivia: David C. Mitchell (1953), *General Manager*

El Salvador: Manuel Cano G. (1936), *General Manager*

Venezuela: Dr. Luis Eduardo Galavís (1970), *President,  
Maracaibo Company,*

Jean van Tongelen (1964), *Executive  
Vice-President and General Manager,  
Maracaibo Company and President and General  
Manager, other Operating Companies*

## C I POWER SERVICES LIMITED SENIOR PERSONNEL

Arnold H. Gerrish (1946), *Chief Engineer*

Bruce F. Junkin (1947), *Operations Co-ordinator*

H. W. Darryle Armstrong (1952),  
*Co-ordinator — Rates and Economic Studies*

Franklin P. Krug (1955), *Personnel Co-ordinator*

Henning J. Porsaa (1957),  
*Assistant Secretary and Chief Accountant*

Victor N. Tomaschuk (1957),  
*Senior Mechanical Engineer*

C. D. G. Pearson (1960),  
*Co-ordinator — Industrial Relations*

Michael F. Howden (1963), *Purchasing Agent*

L. Karl Hinds (1966), *Senior Operating Engineer*

Allan J. MacDonald (1966), *Senior Electrical Engineer*

H. Paul Crevier (1969), *Assistant Legal Counsel*

James J. Dealy (1970), *Assistant to the Chairman*

Bernard V. King (1970), *Senior Civil Engineer*

(Dates indicate year of first employment with  
associated companies)

\*Members of the Executive Committee

\*\*Executives of C I Power Services Limited





*Flood lights, powered by C I Power's Maracaibo Company, illuminate the new Olympic Stadium in Maracaibo for the 1970 International Bolivarian Games.*

